



# Railways Act 1993

## 1993 CHAPTER 43

### PART II

#### RE-ORGANISATION OF THE RAILWAYS

##### *New companies, transfer schemes and disposals*

#### **86 Powers of the Franchising Director to make transfer schemes**

- (1) The Franchising Director shall have power to make schemes for the transfer, at or after the end of the franchise period, of property, rights and liabilities which, immediately before the end of that period, are for the time being designated as franchise assets for the purposes of the franchise agreement in question to—
  - (a) the Franchising Director;
  - (b) a company which is wholly owned by the Franchising Director; or
  - (c) a franchise company.
- (2) In the following provisions of this section—
  - (a) the “transferor” means the person from whom any such property, rights or liabilities as are mentioned in subsection (1) above are transferred by a scheme under this section; and
  - (b) the “transferee” means the person to whom any such property, rights or liabilities are so transferred.
- (3) Subject to any contrary agreement or arrangements which may be made between the transferor and the transferee, where any property, rights or liabilities are transferred by a scheme under this section, there shall be paid by the transferee to the transferor or, as the case may require, by the transferor to the transferee, on the day on which the scheme comes into force such sums as may be specified in, or determined in accordance with, the franchise agreement mentioned in subsection (1) above.
- (4) Subject to the following provisions of this Part, on the day on which a scheme under this section comes into force, the property, rights and liabilities affected by the scheme

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*Status: This is the original version (as it was originally enacted).*

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shall, subject to section 97 below, be transferred and vest by virtue of and in accordance with the scheme.

- (5) Except as otherwise provided by this Act—
- (a) any reference in this Act to a “transfer scheme” shall be taken as including a reference to a scheme under this section;
  - (b) in the application of any provision of this Act in relation to a scheme under this section, any reference to the “transfer date” shall be taken as a reference to the date on which the scheme comes into force.
- (6) In this section “franchise agreement”, “franchise period” and “designated as franchise assets” have the same meaning as they have in Part I above.
- (7) Any sums required by the Franchising Director for the purpose of making payments in respect of property, rights or liabilities transferred by a scheme under this section shall be paid by the Secretary of State out of money provided by Parliament.
- (8) Any sums received by the Franchising Director in respect of property, rights or liabilities so transferred shall be paid into the Consolidated Fund.